



Commonwealth of Kentucky Energy and Environment Cabinet

Steve Beshear, Governor

Leonard K. Peters, Secretary

FOR IMMEDIATE RELEASE

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Cabinet to reorganize Office of Mine Safety, Licensing

Thirty percent budget cut directed by legislature forces action

FRANKFORT, Ky. (May 30, 2014) – A 30 percent budget cut directed by the General Assembly is forcing the state Office of Mine Safety and Licensing (OMSL) to reorganize in preparation for balancing the agency's budget for the fiscal year that begins July 1, Energy and Environment Secretary Len Peters announced today.

Legislators reduced the OMSL budget by \$4.3 million each year of the two-year budget enacted during the 2014 General Assembly. Lawmakers also reduced the number of mandatory annual mine safety inspections, from six to four.

Gov. Steve Beshear said the restructuring, which will be implemented by an executive order effective June 1, 2014, was forced upon the Cabinet when his proposal to fully fund mine safety and inspection functions was significantly reduced by the General Assembly in the two-year state budget. He predicted the budget cut would have both tangible and symbolic impact.

Despite the declines in coal mining, employment and coal sales, there continue to be many mine sites that need inspecting, monitoring and oversight, Gov. Beshear said.

"For years Kentucky made mine safety a high priority and dedicated resources to assure a higher safety standard than the federal government requires," Gov. Beshear said. "I am disappointed that the General Assembly decided to retreat from that standard and only meet the minimum requirements."

Although he said he disagreed with the General Assembly's decision to reduce funding, the Governor said he would work with the Cabinet to assure the highest level of safety possible with the funding available.

Under the reorganization, OMSL will become the Division of Mine Safety in the Department for Natural Resources (DNR).

“The stark reality is, we are left with a bare bones budget and the only recourse is to reorganize,” Secretary Peters said. “My concern going forward is for the safety of all Kentucky miners. The division will be challenged to make the inspections necessary to keep our miners safe. That continues to be our top priority.”

The Office of Mine Safety and Licensing has offices in Frankfort, Barbourville, Harlan, Hazard, Madisonville, Martin and Pikeville and employs approximately 140 staff.

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